

Billing Code:



This document is scheduled to be published in the Federal Register on 12/11/2020 and available online at [federalregister.gov/d/2020-27292](https://www.federalregister.gov/d/2020-27292), and on [govinfo.gov](https://www.govinfo.gov)

## **DEPARTMENT OF DEFENSE**

### **Office of the Secretary**

**[Transmittal No. 20-68]**

### **Arms Sales Notification**

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**ACTION:** Arms sales notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of an arms sales notification.

**FOR FURTHER INFORMATION CONTACT:** Karma Job at [karma.d.job.civ@mail.mil](mailto:karma.d.job.civ@mail.mil) or (703) 697-8976.

**SUPPLEMENTARY INFORMATION:** This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 20-68 with attached Policy Justification and Sensitivity of Technology.

Dated: December 8, 2020.

**Kayyonne T. Marston,**

*Alternate OSD Federal Register Liaison Officer,*

*Department of Defense.*



DEFENSE SECURITY COOPERATION AGENCY  
201 12<sup>TH</sup> STREET SOUTH, SUITE 101  
ARLINGTON, VA 22202-5408

October 26, 2020

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
H-209, The Capitol  
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 20-68 concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Taipei Economic and Cultural Representative Office in the United States (TECRO) for defense articles and services estimated to cost \$2.37 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, reading "Heidi H. Grant", is positioned above the printed name and title.

Heidi H. Grant  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Taipei Economic and Cultural Representative Office in the United States (TECRO)

(ii) Total Estimated Value:

Major Defense Equipment*	\$1.16 billion
Other	<u>\$1.21 billion</u>
TOTAL	\$2.37 billion

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: TECRO has requested to buy up to one hundred (100) Harpoon Coastal Defense Systems (HCDS) consisting of:

Major Defense Equipment (MDE):

Up to four hundred (400) RGM-84L-4 Harpoon Block II Surface Launched Missiles  
Four (4) RTM-84L-4 Harpoon Block II Exercise Missiles

Non-MDE:

Also included are four hundred eleven (411) containers, one hundred (100) Harpoon Coastal Defense System Launcher Transporter Units, twenty-five (25) radar trucks, spare and repair parts, support and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor representatives' technical assistance, engineering and logistics support services, and other related elements of logistics support.

(iv) Military Department: Navy (TW-P-LHX)

(v) Prior Related Cases, if any: TW-P-LGV, TW-P-LGN, TW-P-LGL

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **October 26, 2020**

\*As defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### Taipei Economic and Cultural Representative Office in the United States (TECRO) – RGM-84L-4 Harpoon Surface Launched Block II Missiles

TECRO has requested to buy up to one hundred (100) Harpoon Coastal Defense Systems (HCDS) consisting of up to four hundred (400) RGM-84L-4 Harpoon Block II Surface Launched Missiles; and four (4) RTM-84L-4 Harpoon Block II Exercise Missiles. Also included are four hundred and eleven (411) containers, one hundred (100) Harpoon Coastal Defense System Launcher Transporter Units, twenty-five (25) radar trucks, spare and repair parts, support and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor representatives' technical assistance, engineering and logistics support services, and other related elements of logistics support. The total estimated program cost is \$2.37 billion.

This proposed sale is consistent with U.S. law and policy as expressed in Public Law 96-8.

This proposed sale serves U.S. national, economic, and security interests by supporting the recipient's continuing efforts to modernize its armed forces and to maintain a credible defensive capability. The proposed sale will help improve the security of the recipient and assist in maintaining political stability, military balance, economic and progress in the region.

This proposed sale will improve the recipient's capability to meet current and future threats by providing a flexible solution to augment existing surface and air defenses. The recipient will be able to employ a highly reliable and effective system to counter or deter maritime aggressions, coastal blockades, and amphibious assaults. This capability will easily integrate into existing force infrastructure. The recipient will have no difficulty absorbing these systems into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be The Boeing Company, St. Louis, MO. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of two (2) U.S. contractor representatives to the recipient for a duration of 8 years to support technical reviews, support, and oversight.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act

Annex  
Item No. vii

(vii) Sensitivity of Technology:

1. The RGM-84L Harpoon Surface Launched Block II missile system is a non-nuclear tactical weapon system. It provides a day, night, and adverse weather, standoff air-to-surface capability and is an effective Anti-Surface Warfare missile. The RGM-84L incorporates components, software, and technical design information that are considered sensitive. These elements are essential to the ability of the Harpoon missile to selectively engage hostile targets under a wide range of operations, tactical and environmental conditions:

- The Radar Seeker,
- The Radar Altimeter,
- The GPS/INS System,
- Operational Flight Program Software, and
- Missile operational characteristics and performance data.

2. The highest level of classification of defense articles, components, and services included in this potential sale is CONFIDENTIAL.

3. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems, which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that the recipient can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to the recipient.